

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1727 - SB 1757

January 27, 2022

SUMMARY OF BILL: Requires a municipal utility board commissioner (MUBC) to file with the municipality an annual written statement on a form developed by the Comptroller of the Treasury (COT) that certifies the training and continuing education courses attended by the MUBC during the prior calendar year, and if no training was attended, an annual statement certifying that the commissioner attended no training that year.

Clarifies existing language on the training and continuing education reporting requirements for utility district commissioners (UDC) and for a UDC who fails to meet training requirements. Adds certification requirements for a UDC nominated for reappointment or seeking reelection.

Requires public water systems and utility districts operating public water systems to submit a water loss report with the annual report submitted to the COT rather than with an annual audit; requires a utility district and a water system that purchases more than 50 percent of its total water for resale to include the contract for the purchase of water for resale with the annual report.

Requires the COT to annually publish water loss reports on its website rather than provide a written report to the Speakers of the House of Representatives and the Senate. Requires the Utility Management Review Board (UMRB) to publish an annual report on its website rather than report to the Governor and the General Assembly.

FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Tennessee Code Annotated § 7-34-115(j)(2) provides that all MUBCs shall attend a minimum of 12 hours of training and continuing education within one year of appointment, election, reappointment, or reelection to the board.
- The proposed legislation requires MUBCs to file an annual statement with the municipality certifying training attended or not attended by the MUBC in a year; such a requirement with not result in any significant fiscal impact to local government.
- The proposed language clarifies certain certification requirements for UDCs and adds certification requirements for a UDC nominated for reappointment or seeking reelection. As a result, no increase in local expenditures is estimated.

HB 1727 - SB 1757

- Tennessee Code Annotated § 68-221-1012(b) and § 7-82-401(h) require public water systems and utility districts operating public water systems to include in their audited annual financial report to the COT the water system and utility district's water loss; requiring such entities to instead submit a water loss report simultaneously with the annual report to the COT will not have any fiscal impact on state or local government.
- Tennessee Code Annotated § 7-82-314 requires each utility district to submit an annual report to the COT; requiring utility districts to include another document in the report will not have any fiscal impact on state or local government.
- Tennessee Code Annotated § 68-221-1016 requires each water system to submit an annual report to the water and wastewater financing board; requiring water systems to include another document in the report will not have any fiscal impact on local government.
- Requiring COT and UMRB to publish already mandated annual reports on their websites will not have any significant impact to state or local government expenditures.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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